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The purpose of this analysis is to help you make an informed decision when selecting your home loan.

Prepared by  
Mark S. Coffman  
Date prepared  
5/4/2005

## FOLLOW THESE 3 SIMPLE STEPS:

1. Review the SUMMARY of your loans. Details for each program can be found on the second page.
2. Next, review the TOTAL COST ANALYSIS for each loan so that you can compare which program might be right for your financial situation.\*
3. Finally, review the suggested Debt Free or Asset Accum. plan to see how you can save thousands on your loan. Also, you can review the MONTHLY TAX BENEFITS.

## Total Cost Analysis

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### SUMMARY

This summary table displays information on up to four loan programs, including their respective fees and monthly payments.

Each program shows a first mortgage, and possibly a second mortgage.

Although this table will show you which loan will provide you the lowest payment, such a loan may not be the right loan for your financial situation.\*

		30 Fix 1 Pt	30 Fix 0 Pts	5 Yr I/O 1 Pt	5 Yr I/O 0 Pt
1st	Loan Amount	\$280,000	\$280,000	\$280,000	\$280,000
	Interest Rate	5.625%	5.875%	5.250%	5.500%
	Term (months)	360	360	Int. Only	Int. Only
	P&I	\$1,612	\$1,656	\$1,225	\$1,283
	MI	\$0	\$0	\$0	\$0
2nd	Loan Amount	\$0	\$0	\$0	\$0
	Interest Rate	0.000%	0.000%	0.000%	0.000%
	Term (months)	180	180	180	180
	P&I	\$0	\$0	\$0	\$0
Totals	Total Payment	\$1,612	\$1,656	\$1,225	\$1,283
	Net Savings	\$44	\$0	\$431	\$373

### TOTAL COST ANALYSIS

A true loan comparison cannot be made simply by comparing the payments that a loan offers. There are various other fees and issues which effect the overall cost of a loan. The table at the right analyzes the difference in total overall cost of your home loan.

Evaluating the total cost is the key to selecting the lowest cost mortgage for your individual needs.\*

Months: 60	30 Fix 1 Pt	30 Fix 0 Pts	5 Yr I/O 1 Pt	5 Yr I/O 0 Pt
Total Payment	\$96,710	\$99,378	\$73,500	\$77,000
Principal Paid	\$20,685	\$19,854	\$0	\$0
Int / MI Paid	\$76,025	\$79,525	\$73,500	\$77,000
Balance Left	\$259,315	\$260,146	\$280,000	\$280,000
Closing & Pts	\$5,900	\$5,900	\$5,900	\$5,900
Total Cost	\$81,925	\$85,425	\$79,400	\$82,900
Net Savings	\$3,499	\$0	\$6,025	\$2,525

### ASSET ACCUMULATION

You can become debt free faster by placing a few dollars each and every month into an annuity or investment account that may eventually accumulate total assets exceeding your debt.\*

Asset Accumulation		30 Fix 1 Pt	30 Fix 0 Pts	5 Yr I/O 1 Pt	5 Yr I/O 0 Pt
1st	Accumulation	\$46	\$0	\$522	\$376
	3 years	\$1,865	\$0	\$21,158	\$15,240
	5 years	\$3,271	\$0	\$37,124	\$26,741
	15 years	\$13,491	\$0	\$153,088	\$110,271
	Totals	Assets > Debt	27.8 yrs.	30.0 yrs.	21.8 yrs.
	Accum. Assets	\$46,485	\$0	\$527,501	\$379,962
2nd	Reduction	\$0	\$0	\$0	\$0
	0 years	\$0	\$0	\$0	\$0
Totals	Debt Free In:	0.0 yrs.	0.0 yrs.	0.0 yrs.	0.0 yrs.
	Interest Saved:	\$0	\$0	\$0	\$0

### MONTHLY TAX BENEFIT

Consider the tax benefits of your home mortgage. By consolidating your non-tax deductible debt (credit cards, etc.) into your mortgage, you can save \$\$\$\$. This is just an estimate - contact your tax consultant for advice.

Tax Brac: 33%	30 Fix 1 Pt	30 Fix 0 Pts	5 Yr I/O 1 Pt	5 Yr I/O 0 Pt
1st Mortgage	\$433	\$452	\$404	\$424
2nd Mortgage	\$0	\$0	\$0	\$0
Property Tax	\$120	\$120	\$120	\$120
Total Monthly	\$553	\$573	\$525	\$544
Net Savings	\$29	\$48	\$0	\$19

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## DETAIL

The Detail table below discloses the financial information used to calculate the tables above. For further information, speak with your professional mortgage advisor.\*

	30 Fix 1 Pt		30 Fix 0 Pts		5 Yr I/O 1 Pt		5 Yr I/O 0 Pt	
Value	\$350,000		\$350,000		\$350,000		\$350,000	
Equity (%)	20.000%	0.000%	20.000%	0.000%	20.000%	0.000%	20.000%	0.000%
	1st Mtg.	2nd Mtg.	1st Mtg.	2nd Mtg.	1st Mtg.	2nd Mtg.	1st Mtg.	2nd Mtg.
Loan Amount	\$280,000	\$0	\$280,000	\$0	\$280,000	\$0	\$280,000	\$0
Loan Type	Fixed	Fixed	Fixed	Fixed	Adjustable	Fixed	Adjustable	Fixed
Interest Rate	5.625%	0.000%	5.875%	0.000%	5.250%	0.000%	5.500%	0.000%
Term	360	180	360	180	Int. Only	180	Int. Only	180
Closing	\$3,100	\$0	\$3,100	\$0	\$3,100	\$0	\$3,100	\$0
Points	1.000%	0.000%	1.000%	0.000%	1.000%	0.000%	1.000%	0.000%
APR	5.816%	0.000%	6.070%	0.000%	4.282%	0.000%	4.323%	0.000%
Principal & Int.	\$1,612	\$0	\$1,656	\$0	\$1,225	\$0	\$1,283	\$0
Mtg. Ins.	\$0		\$0		\$0		\$0	
<b>Total P&amp;I</b>	<b>\$1,612</b>		<b>\$1,656</b>		<b>\$1,225</b>		<b>\$1,283</b>	
Index					1yr Tres		1yr Tres	
Margin					2.750%		2.750%	
LifeCap					10.250%		10.625%	
Scenario					1		1	
First Adj Cap					2.000%		2.000%	
First Adj Mos					61		61	
Adj Cap					2.000%		2.000%	
Adj Mos					12		12	
HOA	\$0		\$0		\$0		\$0	
Haz Ins	\$77		\$77		\$77		\$77	
Prop Taxes	\$365		\$365		\$365		\$365	
Other	\$0		\$0		\$0		\$0	
<b>Pymt. Adjust.</b>								
Adj Cap%								
Adj Per (Mos)								
Recast Pd/Stop								
Max Balance								
<b>PITI</b>	<b>\$2,053</b>	<b>\$0</b>	<b>\$2,098</b>	<b>\$0</b>	<b>\$1,667</b>	<b>\$0</b>	<b>\$1,725</b>	<b>\$0</b>
Term Reduction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total PITI</b>	<b>\$2,053</b>		<b>\$2,098</b>		<b>\$1,667</b>		<b>\$1,725</b>	
Mo. Asset A	\$46		\$0		\$522		\$376	
Asset A. IntRate	6.000%		0.000%		6.000%		6.000%	
Asset A. Open	\$46		\$0		\$522		\$376	

## NOTES

Total Cost Analysis

Trusted Advisor -- Mark S. Coffman

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